

EMNAMBITHI / LADYSMITH MUNICIPALITY



ANNUAL FINANCIAL STATEMENTS

2005 / 2006

EMNAMBITHI / LADYSMITH MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2006

I am responsible for the preparation of these financial statements, which are set out on pages 3 to 34, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 20 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

NJ Mdakane
Municipal Manager

Date

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EMNAMBITHI / LADYSMITH MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2006

	Note	2006 R	2005 R
NET ASSETS AND LIABILITIES			
Net Assets		159,860,745	128,430,312
Housing Development Fund	1	7,199,726	10,852,224
Capital Replacement Reserve		-	-
Capitalisation Reserve		34,155,283	38,514,835
Government Grant Reserve		69,288,611	55,415,092
Donations and Public Contribution Reserves		135,907	169,907
Accumulated Surplus/(Deficit)		49,081,217	23,478,254
Non-Current Liabilities		22,485,418	3,959,836
Long-Term Liabilities	2	22,485,418	3,959,836
Current Liabilities		67,554,188	89,800,145
Consumer Deposits	3	5,807,260	5,201,103
Provisions	4	-	-
Creditors	5	31,096,784	28,838,560
Unspent Conditional Grants and Receipts	6	27,137,005	53,157,997
VAT	7	-	455,684
Current Portion of Long-Term Liabilities	2	3,513,139	2,146,801
Total Net Assets and Liabilities		249,900,350	222,190,293
ASSETS			
Non-Current Assets		141,040,952	104,281,674
Property, Plant and Equipment	8	141,040,952	102,759,110
Investments	9	-	-
Long-Term Receivables	10	-	1,522,564
Current Assets		108,859,399	117,908,619
Inventory	11	1,033,028	1,019,324
Consumer Debtors	12	49,172,934	49,489,798
Other Debtors	13	10,757,787	9,521,420
VAT	7	479,872	
Current Portion of Long-Term Debtors	10	231,382	268,688
Call Investment Deposits	14	26,788,002	57,329,033
Bank Balances and Cash	15	20,396,394	280,356
Total Assets		249,900,350	222,190,293

EMNAMBITHI / LADYSMITH MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE FINANCIAL YEAR ENDED 30th JUNE 2006

Budget				Actual	
2005	2006		Note	2006	2005
R	R			R	R
REVENUE					
69,647,218	72,883,181	Property Rates	16	73,623,507	69,413,942
6,295,815	6,600,000	Property Rates - Penalties imposed and Collection Charges		5,311,316	5,862,445
87,706,634	92,604,585	Service Charges	17	90,135,388	87,750,584
-	-	Interest Earned - External Investments		1,826,302	1,209,329
5,939,449	2,280,000	Interest Earned - Outstanding Debtors		2,243,638	2,138,598
2,638,280	2,796,600	Fines		3,130,025	2,952,130
2,386,970	2,605,100	Licences and Permits		3,229,938	2,673,899
2,460,360	-	Income for Agency Services		-	1,980,242
20,929,405	33,104,760	Government Grants and Subsidies	18	80,150,944	60,385,462
6,417,483	7,223,150	Other Income		4,817,347	5,246,784
-	-	Public Contributions, Donated Property, Plant and Equipment		-	170,000
-	-	Gains on Disposal of Property, Plant and Equipment		430,000	-
204,421,614	220,097,376	Total Revenue		264,898,405	239,783,414
EXPENDITURE					
43,467,476	47,907,701	Employee Related Costs	19	45,961,882	43,365,084
6,075,686	6,659,689	Remuneration of Councillors	20	5,176,654	4,892,039
14,711,740	12,680,480	Bad debts / Indigency		11,180,480	32,902,991
5,014,812	3,019,645	Depreciation		16,721,724	14,026,293
19,081,460	19,834,320	Repairs and Maintenance		3,992,461	17,002,444
1,211,585	4,944,004	Interest Paid	21	1,667,473	1,236,085
50,472,730	50,436,535	Bulk Purchases	22	48,035,526	47,819,025
17,555,831	26,324,058	Grants and Subsidies paid	23	26,306,255	22,775,178
-	-	Grant Expenses		31,453,396	-
36,244,202	37,731,507	General Expenses		35,920,504	21,186,631
193,835,522	209,537,939	Total Expenditure		226,416,355	205,205,770
10,586,092	10,559,437	SURPLUS/(DEFICIT) FOR THE YEAR		38,482,050	34,577,644

EMNAMBITHI / LADYSMITH MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2006

	Housing Development Fund	Capital Replacement Reserve	Capitalisation Reserve	Government Grant Reserve	Donations and Public Contribution Reserve	Accumulated Surplus/ (Deficit)	Total
	R	R	R	R	R	R	R
2005							
Balance at 1 July 2004	7,462,337	-	40,920,688	166,137,554	-	23,593,753	238,114,332
Surplus/(deficit) for the year	-	-	-	-	-	34,577,644	34,577,644
Prior Year Adjustments	-	-	-	-	-	-5,731,188	-5,731,188
Transfer to CRR	-	3,960,700	-	-	-	-3,960,700	-
Property, plant and equipment purchased	-	-3,960,700	-	-	-	3,960,700	-
Capital grants used to purchase PPE	-	-	-	820,444	-	-820,444	-
Grants used for Non-Council Assets - LED / Housing	-	-	-	-	-	-40,145,194	-40,145,194
Donated/contributed PPE	-	-	-	-	170,000	-170,000	-
Transfer to Housing Development Fund	3,389,887	-	-	-	-	-	3,389,887
Asset disposals to District Municipality	-	-	-	-101,775,169	-	-	-101,775,169
Offsetting of depreciation	-	-	-2,405,853	-9,767,737	-93	12,173,683	-
Balance at 30 June 2005	10,852,224	-	38,514,835	55,415,092	169,907	23,478,254	128,430,312
2006							
Balance at 1 July 2005	10,852,224	-	38,514,835	55,415,092	169,907	23,478,254	128,430,312
Surplus /(deficit) for the year	-	-	-	-	-	38,482,050	38,482,050
Prior Year Adjustments	-	-	-	-	-	-3,399,120	-3,399,120
Transfer to CRR	-	19,969,317	-	-	-	-19,969,317	-
Property, plant and equipment purchased	-	-19,969,317	-	-	-	19,969,317	-
Capital grants used to purchase PPE	-	-	-	22,616,460	-	-22,616,460	-
Grants used for Non-Council Assets - LED / Housing	-	-	-	-	-	-	-
Donated/contributed PPE	-	-	-	-	-	-	-
Transfer to Housing Development Fund	-3,652,498	-	-	-	-	-	-3,652,498
Asset disposals to District Municipality	-	-	-	-	-	-	-
Offsetting of depreciation	-	-	-4,359,552	-8,742,941	-34,000	13,136,493	-
Balance at 30 June 2006	7,199,726	-	34,155,283	69,288,611	135,907	49,081,217	159,860,744

EMNAMBITHI / LADYSMITH MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 R	2005 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		244,710,901	372,859,004
Cash paid to suppliers and employees		-223,828,665	-347,313,210
Cash generated from/(utilised in) operations	24	20,882,236	25,545,794
Interest received		4,069,940	3,347,927
Interest paid		-1,667,473	-1,236,085
NET CASH FROM OPERATING ACTIVITIES		<u>23,284,703</u>	<u>27,657,636</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-55,003,565	-4,951,143
Proceeds on disposal of property, plant and equipment		-	-
(Increase)/decrease in investment properties		-	-
(Increase)/decrease in non-current receivables		1,559,870	247,004
(Increase)/decrease in non-current investments		-	121,458
(Increase)/decrease in call investment deposits		30,541,031	-52,329,033
NET CASH FROM INVESTING ACTIVITIES		<u>-22,902,664</u>	<u>-56,911,714</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		-19,891,919	-10,032,273
Increase/(decrease) in consumer deposits		-606,157	-126,793
NET CASH FROM FINANCING ACTIVITIES		<u>-20,498,076</u>	<u>-10,159,066</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>-20,116,038</u>	<u>-39,413,144</u>
Cash and cash equivalents at the beginning of the year		280,356	39,693,499
Cash and cash equivalents at the end of the year	25	20,396,394	280,356

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of:

General Notice 991 of 2005, issued in Government Gazette no. 28095 of 15 December 2005;

General Notice 992 of 2005, issued in Government Gazette no. 28095 of 7 December 2005;

The Standards comprise of the following:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GAMAP 4	The Effects of Changes in Foreign Exchange Rates
GAMAP 6	Consolidated Financial Statements and Accounting for Controlled Entities
GAMAP 7	Accounting for Investments in Associates
GAMAP 8	Financial Reporting of Interests in Joint Ventures
GAMAP 9	Revenue
GAMAP 12	Inventories
GAMAP 17	Property, Plant and Equipment
GAMAP 19	Provisions, Contingent Liabilities and Contingent Asset

Accounting policies for material transactions, events or conditions not covered by the above GRAP and GAMAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board. A summary of the significant accounting policies is disclosed below.

2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

4. HOUSING DEVELOPMENT FUND

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the Municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

5. RESERVES

5.1 Capital Replacement Reserve (CRR)

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus to the CRR. A corresponding amount is transferred to a designated CRR bank or investment account. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.

5.2 Capitalisation Reserve

On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a Capitalisation Reserve instead of the accumulated surplus/(deficit) in terms of a directive (budget circular) issued by National Treasury. The purpose of this Reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit).

The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/(deficit).

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

5. RESERVES (Continued)

5.2 *Capitalisation Reserve (Continued)*

When an item of property, plant and equipment is disposed, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus.

5.3 *Government Grant Reserve*

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus. The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus.

5.4 *Donations and Public Contributions Reserve*

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus. The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus.

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation. Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated owing to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met.

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated asset lives:-

<u>DETAILS</u>	<u>YEARS</u>	<u>DETAILS</u>	<u>YEARS</u>
<i>Infrastructure</i>		<i>Other</i>	
Roads and Paving	10 – 30	Buildings	30
Pedestrian Malls	20	Specialised Vehicles	3 – 20
Electricity	20 – 30	Other Vehicles	3 – 20
Water	15 – 20	Office Equipment	5 – 7
Sanitation	15 – 20	Furniture and Fittings	10
Housing	30	Watercraft	15
		Bins and Containers	5 – 10
<i>Community</i>		Specialised Plant and Equipment	5 – 15
Buildings	30	Other Items of Plant and Equipment	5 – 15
Recreational Facilities	20-30	Landfill sites	15
Security	3 – 5		

Assets with a value of less than R20 000 are not capitalised, but kept in a subsidiary asset register.

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

The Municipality has an obligation to rehabilitate its landfill sites in terms of its licence stipulations. Provision is made for this obligation in accordance with the Municipality's accounting policy on non-current provisions – see Accounting Policy 13 on Provisions.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

7. INVESTMENTS

Financial instruments, which include fixed deposits and short-term deposits invested in registered commercial banks, are stated at cost.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

8. INVENTORIES

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average method.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

9. TRADE RECEIVABLES

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The annual contribution to the provision is recognised in the Statement of Financial Performance.

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

10. TRADE PAYABLES

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

11. REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Municipality's activities. Revenue is shown net of value added tax, estimated returns, rebates and discounts and after eliminated revenue within departments of the Municipality. Revenue is recognised as follows:

11.1 Revenue from Exchange Transactions

Service charges relating to electricity and water are based on consumption. Meters are read on a quarterly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Interest and rentals are recognised on a time proportion basis.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

11. REVENUE RECOGNITION (Continued)

11.1 Revenue from exchange transactions (Continued)

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

11.2 Revenue from non-exchange transactions

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, at the fair value of the consideration received or receivable.

Contributed property, plant and equipment is recognised when ownership of such items of property, plant and equipment is transferred to the municipality.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

12. CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

13. PROVISIONS

Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Non-current provisions are discounted to the present value using a discount rate based on the average cost of borrowing to the Municipality.

14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

15. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance. Where unauthorised expenditure is not approved, it is recovered from the responsible person and the amount received is accounted for as revenue in the Statement of Financial Performance.

16. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority it is treated as a current asset until it is recovered or written off as irrecoverable in the Statement of Financial Performance.

EMNAMBITHI / EMNAMBITHI MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

17. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. If the expenditure is not condoned by the relevant authority it is accounted for as a current asset in the Statement of Financial Position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

18. COMPARATIVE INFORMATION

Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

19. BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

20. EMPLOYEE BENEFITS

20.1 Pension obligations

Certain members and Council contribute to the Natal Joint Superannuation, Retirement and Provident Funds, SALA and GEPF all of which were found to be in sound financial state when the most recent statutory actuarial valuations thereof were carried out. The valuations are projected on the unit credit method basis. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportionate basis to all participating municipalities.

The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable.

Natal Joint Superannuation & Retirement Funds and GEPF are defined benefit funds. The Natal Joint Provident Fund and SALA are defined contribution funds.

The schemes are funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations.

EMNAMBITHI / LADYSMITH MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (Continued)

20. EMPLOYEE BENEFITS (Continued)

20.2 Other post-employment benefit obligations

The municipality provides post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. This benefit has since been restricted to persons 50 years and older of age as at 1 January 2005. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The expected costs of these benefits will be accrued over the period of employment using an accounting methodology similar to that used for defined benefit pension plans. Actuarial gains and losses arising and changes in actuarial assumptions, will be charged or credited to income over the expected average remaining working lives of the relevant employees. Independent qualified actuaries will be used to value these obligations annually.

21. INTANGIBLES

Rights consist of servitudes. Rights are not depreciated as they have an indefinite useful life.

22. TAXATION

The Emnambithi / Ladysmith Municipality is exempted from tax in terms of section 10(1)(a) of the Income Tax Act.

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006 R	2005 R
1. HOUSING DEVELOPMENT FUND		
Housing Development Fund	7,199,726	10,852,224
Unappropriated Surplus/(Deficit)	-39,924,776	-36,272,278
Loans extinguished by Government on 1 April 1998	47,124,502	47,124,502
The Housing Development Fund is represented by the following assets and liabilities		
Property, plant and equipment	-	-
Housing selling scheme loans	684,692	1,835,175
Housing rental debtors	-	-
Bank and cash	6,515,035	9,017,049
Sub-total	7,199,726	10,852,224
Creditors	-	-
Total Housing Development Fund Assets and Liabilities	7,199,726	10,852,224
2. LONG-TERM LIABILITIES		
Loans	25,971,842	6,043,866
Receiver of Revenue - Housing Debtors	26,714	62,771
	25,998,556	6,106,637
Less : Current portion transferred to current liabilities	-3,513,139	-2,146,801
- Loans	-3,513,139	-2,146,801
Total External Loans	22,485,418	3,959,836
Refer to Appendix A for more detail on long-term liabilities.		
3. CONSUMER DEPOSITS		
Electricity	5,807,260	5,201,103
Total Consumer Deposits	5,807,260	5,201,103
Interest is not paid on Consumer Deposits		
Guarantees held in lieu of Electricity Deposits	2,714,193	2,674,203
4. PROVISIONS		
Staff Leave - Refer to Note 5 - To be reflected under Current Liabilities	-	-
5. CREDITORS		
Trade Creditors	3,790,433	2,284,029
Sundry Creditors	16,514,616	15,811,228
Deposits : Other	1,087,392	347,219
Trade Creditors - Colenso	-	-
Payments In Advance	-200	-
Creditors Suspense	101,199	196,453
Staff Leave	3,770,000	4,700,000
Payments Received in Advance i.r.o. Service Debtors	5,833,345	5,499,630
Total Creditors	31,096,784	28,838,560

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006 R	2005 R
6. UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
Conditional Grants from other spheres of Government	27,137,005	53,157,997
MIG Grants	361,471	2,628,529
Provincial LED Projects	-36,007	-100,406
Housing Projects	22,408,866	42,461,456
Other	4,402,675	8,168,418
Total Conditional Grants and Receipts	27,137,005	53,157,997
7. VAT		
Vat Payable / (Receivable)	-479,872	455,684

VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS.

8. PROPERTY, PLANT AND EQUIPMENT

30 June 2006

Reconciliation of Carrying Value	Infrastructure R	Community R	Heritage R	Other R	Total R
Carrying values at 1 July 2005	53,232,932	20,613,198	604,356	28,308,625	102,759,110
Cost	185,853,782	30,201,302	604,356	71,301,626	287,961,066
Accumulated depreciation	-132,620,851	-9,588,104	-	-42,993,001	-185,201,956
Acquisitions	46,598,931	2,105,461	-	5,489,137	54,193,528
Capital under Construction	-	-	-	810,038	810,038
Depreciation	-13,224,997	-1,066,814	-	-2,429,913	-16,721,724
Carrying value of disposals	-	-	-	-	-
Cost/revaluation	-	-	-	-47,932	-47,932
Accumulated depreciation	-	-	-	47,932	47,932
Carrying values at 30 June 2006	86,606,865	21,651,845	604,356	32,177,886	141,040,952
Cost	232,452,713	32,306,763	604,356	77,552,868	342,916,699
Accumulated depreciation	-145,845,848	-10,654,918.22	-	-45,374,981	-201,875,747

30 June 2005

Reconciliation of Carrying Value	Infrastructure R	Community R	Heritage R	Other R	Total R
Carrying values at 1 July 2004	174,791,946	20,837,032	604,356	28,464,956	224,698,290
Cost	372,791,421	29,813,890	604,356	69,900,846	473,110,513
Accumulated depreciation	-197,999,475	-8,976,858	-	-41,435,890	-248,412,223
Acquisitions	751,793	846,527	-	3,352,824	4,951,144
Capital under Construction	-	-	-	-	-
Depreciation	-10,433,050	-1,014,857	-	-2,578,387	-14,026,294
Carrying value of disposals	-111,877,757	-55,503	-	-930,769	-112,864,029
Cost/revaluation	-187,689,431	-459,114	-	-1,952,045	-190,100,590
Accumulated depreciation	75,811,674	403,611	-	1,021,276	77,236,561
Carrying values at 30 June 2005	53,232,932	20,613,198	604,356	28,308,624	102,759,110
Cost	185,853,783	30,201,302	604,356	71,301,625	287,961,066
Accumulated depreciation	-132,620,851	-9,588,104	-	-42,993,001	-185,201,956

Refer to Appendix B for more detail on property, plant and equipment.

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006 R	2005 R
9. INVESTMENTS		
Old Mutual - Colenso	-	-
Total Investments	<u>-</u>	<u>-</u>

10. LONG-TERM RECEIVABLES		
State Housing Selling Schemes	1,376,035	1,487,016
Land Sales	79,692	197,801
Staff Housing Loans	81,154	79,924
Housing Loan Debtors	5,667	26,512
Car Loans	-	-
	<u>1,542,548</u>	<u>1,791,252</u>
Less : Current Portion transferred to current receivables	231,382	268,688
State Housing Selling Schemes	206,405	223,052
Land Sales	11,954	29,670
Staff Housing Loans	12,173	11,989
Housing Loan Debtors	850	3,977
Car Loans	-	-
Less : Provision for Bad Debt	-1,311,166	-
Total	<u>-</u>	<u>1,522,564</u>

11. INVENTORY		
Inventory Assets	9,424,312	8,547,410
Less : Accumulated Depreciation	<u>-9,424,312</u>	<u>-8,547,410</u>
	-	-
Consumable Stores	1,033,028	1,019,324
Work-In-Progress	-	-
Total Inventory	<u>1,033,028</u>	<u>1,019,324</u>

12. CONSUMER DEBTORS	Gross Balances	Provision for Bad Debts	Net Balance
As at 30 June 2006			
Service debtors	83,758,363	-34,585,429	49,172,934
Rates	50,199,441	-9,451,574	40,747,867
Electricity	21,842,101	-13,841,755	8,000,346
Water	20	-	20
Sewerage	-780	-	-780
Refuse	11,717,582	-11,292,100	425,482
Housing rentals	1,770,682	-1,770,682	-
Total	<u>85,529,045</u>	<u>-36,356,111</u>	<u>49,172,934</u>

As at 30 June 2005

Service debtors	76,467,847	-28,770,272	47,697,576
Rates	44,459,825	-8,140,862	36,318,963
Electricity	21,423,830	-11,279,527	10,144,303
Water	-	-	-
Sewerage	-	-	-
Refuse	10,584,193	-9,349,883	1,234,310
Housing rentals	1,792,223	-	1,792,223
Total	<u>78,260,070</u>	<u>-28,770,272</u>	<u>49,489,798</u>

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006 R	2005 R
<u>Rates : Ageing</u>		
Current (0 - 30 days)	-298,296	-308,772
31 - 60 Days	1,327,140	1,551,658
61 - 90 Days	957,763	1,338,265
91 - 120 Days	955,676	1,174,366
121+ Days	47,257,868	40,704,308
Total	50,200,151	44,459,825
<u>Electricity : Ageing</u>		
Current (0 - 30 days)	8,654,987	7,836,655
31 - 60 Days	980,176	1,372,586
61 - 90 Days	186,922	515,169
91 - 120 Days	260,574	419,893
121+ Days	11,759,442	11,279,527
Total	21,842,101	21,423,830
<u>Refuse : Ageing</u>		
Current (0 - 30 days)	672,044	639,995
31 - 60 Days	207,262	233,771
61 - 90 Days	151,420	181,026
91 - 120 Days	145,468	179,517
121+ Days	10,541,389	9,349,883
Total	11,717,582	10,584,192
13. OTHER DEBTORS		
Vat Service Debtors	4,730,661	4,722,147
Service Debtors - Month	5,504,464	5,807,925
Colenso / Nkanyezi Arrears - Debtors	12,018	12,950
Colenso / Nkanyezi Availability Charges - Debtors	219,330	233,182
Legal Fees - Debtors	770,112	999,748
Credit Control Costs - Debtors	225,986	237,973
Uthukela District Municipality - Transfer of Water and Sewer Service	45,206,946	43,680,051
Sundry Debtors	10,324,805	8,145,199
	66,994,322	63,839,174
Less : Provision for Bad Debt	-56,236,535	-54,317,754
Total Other Debtors	10,757,787	9,521,420
14. CALL INVESTMENT DEPOSITS		
Other Deposits	26,788,002	57,329,033
15. BANK, CASH AND OVERDRAFT BALANCES		
The Municipality has the following bank account :-		
<u>Current Account (Primary Bank Account)</u>		
First National Bank - Ladysmith Branch Account Number 52810034604		
Cash book balance at beginning of year	280,356	39,693,499
Cash book balance at end of year	20,396,394	280,356
Bank statement balance at beginning of year	5,328,716	1,897,086
Bank statement balance at end of year	29,972,661	5,328,716

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006 R	2005 R
16. PROPERTY RATES		
<u>Actual</u>		
Residential	51,176,076	47,438,168
Commercial	18,722,131	18,438,297
State	3,725,300	3,537,477
Total Assessment Rates	73,623,507	69,413,942

<u>Valuations</u>		
Residential	1,383,656,613	1,342,469,950
Commercial	874,816,891	887,850,100
State	195,680,846	193,984,300
Total Property Valuations	2,454,154,350	2,424,304,350

17. SERVICE CHARGES		
Sale of electricity	81,846,809	80,052,252
Sale of water	-	-
Sewerage	-	-
Refuse removal	8,288,579	7,698,332
Total Service Charges	90,135,388	87,750,584

18. GOVERNMENT GRANTS AND SUBSIDIES		
Equitable share	27,913,923	17,838,745
Provincial LED Projects	81,852	399,177
Provincial health subsidies	3,699,977	2,346,524
MIG Grant	10,323,818	5,421,329
Dept of Housing	29,899,332	30,371,611
Museum subsidy	55,000	55,000
Other - Council Purposes	8,177,042	3,953,077
Other - Not for Council Purposes	-	-
Total Government Grant and Subsidies	80,150,944	60,385,462

18.1 Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents and automatic indigents, whose Property Valuation is R 36 720 and less, receives a credit for their Property Rates and their monthly services account.

18.2 Provincial LED Projects

Balance unspent at beginning of year	-100,406	298,771
Current year receipts	146,250	-
Conditions met - transferred to revenue	-81,852	-399,177
Conditions still to be met - transferred to liabilities	-36,007	-100,406

Provincial LED Projects grants are used to promote Small, Medium and Micro Enterprises. The grant is spent in accordance with a business plan approved by the provincial Government (included in Council General vote in Appendix D). No funds have been withheld.

18.3 Provincial Health Subsidies

Balance unspent at beginning of year	-	-
Current year receipts - included in Health Services Vote	3,699,977	2,346,524
Conditions met - transferred to revenue	-3,699,977	-2,346,524
Conditions still to be met - transferred to liabilities	-	-

The Municipality renders health services on behalf of the Provincial Government and is refunded approximately 100% of total expenditure incurred. This grant has been used exclusively to fund clinic services and health inspections (included in the Health Services vote in Appendix D).

The conditions of the grant have been met. There was no delay or withholding of the subsidy.

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

18.4 MIG Grant

	2006 R	2005 R
Balance unspent at beginning of year	2,628,529	-
Current year receipts	8,056,761	8,049,858
Conditions met - transferred to revenue	-10,323,818	-5,421,329
Conditions still to be met - transferred to liabilities	<u>361,471</u>	<u>2,628,529</u>

This grant was used to construct roads and bridges, sportsfields and streetlighting as part of the upgrading of informal settlement areas (included in the votes in Appendix B). No funds have been withheld.

18.5 Department of Housing

Balance unspent at beginning of year	42,461,456	42,271,424
Current year receipts	9,846,742	30,561,643
Conditions met - transferred to revenue	-29,899,332	-30,371,611
Conditions still to be met - transferred to liabilities	<u>22,408,866</u>	<u>42,461,456</u>

This grant was used to construct houses as part of the upgrading of informal settlement areas.

18.6 Museum subsidy

Balance unspent at beginning of year	-	-
Current year receipts	55,000	55,000
Conditions met - transferred to revenue	-55,000	-55,000
Conditions still to be met - transferred to liabilities	<u>-</u>	<u>-</u>

This grant was used to subsidise expenses incurred solely for the museums.

18.7 Other Grants - Council Purposes

Balance unspent at beginning of year	8,187,021	1,062,939
Current year receipts	4,411,299	11,077,159
Conditions met - transferred to revenue	-8,177,042	-3,953,077
Conditions still to be met - transferred to liabilities	<u>4,421,278</u>	<u>8,187,021</u>

These grants cover MAP, MSP, FMG, GIS, LUMS, IDP infrastructure development, etc.

18.8 Other Grants - Not for Council Purposes

Balance unspent at beginning of year	-18,603	-18,603
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	<u>-18,603</u>	<u>-18,603</u>

These grants cover expenses from the incorporated Municipalities

18.9 Changes in levels of government grants

Based on the allocations set out in the Division of Revenue Act, (Act 1 of 2005), no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006 R	2005 R
19. EMPLOYEE RELATED COSTS		
Employee related costs - Salaries and Allowances	50,820,101	49,234,685
Employee related costs - Contributions for UIF, pensions, medical aids and group life	11,891,741	11,355,888
Travel, motor car, accommodation, subsistence and other allowances	2,817,485	2,061,501
Housing benefits and allowances	675,404	654,582
Overtime & standby payments	2,741,144	2,285,222
Performance bonus	95,897	-
Job Creation	2,158,714	1,389,463
Less : Employee costs to Property, Plant and Equipment and other expenses	-20,061,950	-18,724,218
Total Employee Related Costs	51,138,536	48,257,123

There were no advances or loans to employees.

Remuneration of the Municipal Manager

Annual Remuneration	533,754	517,844
Performance Bonuses	95,897	-
Total	629,651	517,844

Remuneration of the Chief Financial Officer (Currently Town Treasurer)

Annual Remuneration	214,276	202,147
Overtime & Standby	46,764	46,764
Annual Bonus	17,856	16,846
Housing Benefits and Allowances	5,040	5,448
Car Allowance	103,598	60,684
Telephone Allowance	1,107	983
Contributions to UIF, Medical and Pension Funds	71,233	69,530
Contributions to Group Life	3,728	3,764
Total	463,602	406,165

Remuneration of Individual Executive Directors (HOD's)

30 June 2006

	Development and Planning	Corporate Services	Admin Services	Protection Services
Annual Remuneration	214,276	214,276	214,276	214,276
Overtime & Standby	46,764	46,764	46,764	46,764
Performance/Annual Bonuses	17,856	17,856	17,856	17,856
Housing Benefits and Allowances	5,040	5,040	5,040	5,040
Car Allowance	104,586	103,548	102,732	106,515
Telephone Allowance	1,107	1,107	1,107	1,107
Contributions to UIF, Medical and Pension Funds	46,391	65,183	47,835	65,183
Contributions to Group Life	-	3,728	-	-
Total	436,020	457,502	435,609	456,741

30 June 2006

	Electrical Services	Engineering Services	Health Services
Annual Remuneration	290,328	214,276	178,564
Overtime & Standby	-	46,764	38,970
Performance Bonuses/Annual Bonuses	-	17,856	17,856
Housing Benefits and Allowances	-	4,296	2,700
Car Allowance	212,208	100,228	77,219
Telephone Allowance	-	1,107	923
Contributions to UIF, Medical and Pension Funds	1,348	46,391	63,401
Contributions to Group Life	-	-	-
Total	503,885	430,918	379,632

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

30 June 2005

	Development and Planning	Corporate Services	Admin Services	Protection Services
Annual Remuneration	202,147	202,147	202,147	202,147
Overtime & Standby	46,764	46,764	46,764	46,764
Performance Bonuses/Annual Bonuses	16,846	16,846	16,846	16,846
Housing Benefits and Allowances	5,448	5,448	5,448	5,448
Car Allowance	83,682	80,550	100,368	100,368
Telephone Allowance	983	983	983	983
Contributions to UIF, Medical and Pension Funds	46,091	64,883	46,253	69,530
Contributions to Group Life	-	3,764	-	-
Total	401,960	421,384	418,809	442,085

30 June 2005

	Electrical Services	Engineering Services	Health Services
Annual Remuneration	502,792	202,147	202,147
Overtime & Standby	-	46,764	46,764
Performance Bonuses/Annual Bonuses	-	16,846	16,846
Housing Benefits and Allowances	-	-	5,448
Car Allowance	-	95,867	92,968
Telephone Allowance	-	983	983
Contributions to UIF, Medical and Pension Funds	1,093	46,091	64,883
Contributions to Group Life	-	-	-
Total	503,885	408,697	430,038

	2006 R	2005 R
20. REMUNERATION OF COUNCILLORS		
Executive Mayor	354,672	336,055
Deputy Executive Mayor	284,190	144,222
Speaker	154,923	127,221
EXCO Committee Members	1,124,852	1,054,270
Councillors	2,967,257	2,918,810
Councillors' pension contribution	290,761	311,462
Total Councillors' Remuneration	5,176,654	4,892,039

In-kind Benefits

The Executive Mayor, Deputy Executive Mayor and Speaker are full-time. Each is provided with an office and secretarial support at the cost of Council.

The Executive Mayor has use of a Council owned vehicle for official duties.

21. INTEREST PAID

Long-term liabilities	1,664,652	1,447,712
Less : DBSA Loan for Water	-	-236,132
Creditors	2,821	24,505
Bank overdrafts	-	-
Total Interest Paid	1,667,473	1,236,085

22. BULK PURCHASES

Electricity	48,035,526	47,819,025
Water	-	-
Total Bulk Purchases	48,035,526	47,819,025

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006 R	2005 R
23. GRANTS AND SUBSIDIES PAID		
Grants paid to students	54,190	39,270
Grants paid to other	109,244	123,489
Rates Rebates	26,142,821	22,612,419
Total Grants and Subsidies Paid	26,306,255	22,775,178
24. CASH GENERATED BY OPERATIONS		
Surplus/(Deficit) for the year	38,482,050	34,577,644
Adjustment for:-		
Non-Operating Income	9,513,967	116,423,917
Non-Operating Expenditure	-3,686,497	-113,128,408
Adjustments in Respect of Previous Years & Appropriations	-33,349,243	-60,186,123
Depreciation	16,721,724	14,026,293
Contribution to staff leave accrual	764,077	5,734,085
Contribution to bad debt provision	20,470,156	19,758,896
Investment income	-4,069,940	-3,347,927
Interest paid	1,667,473	1,236,085
Operating surplus before working capital changes:	46,513,766	15,094,462
(Increase)/decrease in inventories	-13,704	18,765,645
(Increase)/decrease in debtors	316,864	-13,730,398
(Increase)/decrease in other debtors	-1,236,367	1,426,238
(Decrease)/increase in conditional grants and receipts	-26,020,992	9,543,466
(Decrease)/increase in creditors	2,258,224	-5,864,485
(Decrease)/increase in provisions	-	-
(Decrease)/increase in VAT	-935,556	310,866
Cash generated by operations	20,882,236	25,545,794
25. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :		
Bank balance	20,396,394	280,356
Total cash and cash equivalents	20,396,394	280,356
26. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT		
<u>26.1 Contributions to organised local government</u>		
Opening balance	-	-
Council subscriptions	330,000	150,736
Amount paid - current year	-330,000	-150,736
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-
<u>26.2 Audit Fees</u>		
Opening balance	-	-
Current year audit fee	-	-
Amount paid - current year	-	-
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-
<u>26.3 VAT</u>		

All VAT returns have been submitted by the due date throughout the year.

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	2006 R	2005 R
<u>26.4 PAYE and UIF</u>		
Opening balance	-	-
Current year payroll deductions	7,055,820	7,583,115
Amount paid - current year	-7,055,820	-7,583,115
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-
<u>26.5 Pension and Medical Aid Deductions</u>		
Opening balance	-	-
Current year payroll deductions and Council Contributions	15,297,972	15,319,354
Amount paid - current year	-15,297,972	-15,319,354
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-
27. CAPITAL COMMITMENTS		
Commitments in respect of capital expenditure:		
- Approved but not yet contracted for		
<i>Infrastructure</i>	6,113,100	50,857,850
<i>Community</i>	1,740,417	22,650,000
<i>Heritage</i>	-	-
<i>Other</i>	-	-
<i>Housing Development Fund</i>	-	-
<i>Investment Properties</i>	-	-
Total	7,853,517	73,507,850
This expenditure will be financed from:		
- External Loans	7,853,517	22,061,850
- Capital Replacement Reserve	-	-
- Government Grants	-	43,766,000
- Own Resources	-	7,680,000
	7,853,517	73,507,850

28. RETIREMENT BENEFIT INFORMATION

Natal Joint Municipal Pension Fund (Superannuation)

The last actuarial interim valuation of the Natal Joint Municipal Pension Fund (Superannuation) was done at 31 March 2005. This valuation disclosed a deficit of R 224 700 000.

Natal Joint Municipal Pension Fund (Retirement)

The last actuarial interim valuation of the Natal Joint Municipal Pension Fund (Retirement) was done at 31 March 2005. This valuation disclosed a deficit of R 202 900 000.

Natal Joint Municipal Provident Fund

The last actuarial interim valuation of the Natal Joint Municipal Provident Fund was done at 31 March 2005. This valuation disclosed a reserve of R 42 758 000.

29. IN-KIND DONATIONS AND ASSISTANCE

The Municipality received the following in-kind donations and assistance:

Description

- Secondment of International Finance Advisor by National Treasury for 2 years.

EMNAMBITHI / LADYSMITH MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

30. TRANSFER OF WATER AND SANITATION SERVICE TO THE DISTRICT MUNICIPALITY

Comparative figures for 2004/2005 include Water and Sanitation and these functions have been transferred to the District Council as at 1 July 2004. The balance of all Assets and Liabilities transferred is included in Other Debtors, and comprises of the following:-

Payments Made i.r.o. Water and Sewer Receipts for 2004/2005	23,359,161
Transactions on Operating Budget 2004/2005	555,903
Income Raised i.r.o. Water and Sewer Debtors for 2004/2005	-42,911,661
Leave Provision	97,237
Debtor Balances Transferred as at 30 June 2005	42,426,533
Water Deposits	-305,284
External Loans	-7,438,123
Fixed Assets and WIP	131,505,424
Payment received from Uthukela Water	-718,802
Payment received for External Loans	-136,524
Payments made on behalf of Uthukela for External Loans in 2004/2005	197,925
Proportionate Bonuses	350,326
Fixed Assets Funded ex Grants / CDF - NDR	-101,775,169
Less : Provision for Bad Debts	-45,206,946
	-0

31. COUNCILLOR'S ARREAR CONSUMER ACCOUNTS

The following Councillor's had arrear accounts outstanding as at

30 June 2006

Councillor M Msthal	58
Councillor BB Biyela	9,749
Councillor FW Dladla	5,653
Councillor NE Makhaza	51
Councillor GS Nkosi	626
Councillor ZJ Dladwa	882
Councillor BV Ramdaas	1,869
Councillor T Msomi	2,388
Councillor GLS Mokoena	7,715
Total	28,991

30 June 2005

Nil

32. RELATED PARTIES

There are no known related parties

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX A
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2006

EXTERNAL LOANS				Balance at 30 June 2005	Received	Redeemed or Written Off	Balance at 30 June 2006
				R	R	R	R
LONG-TERM LOANS	Interest Rate	Loan Ref.	Redeemable				
Development Bank of SA	11.00%	W10	Sept 2010	-	-	-	-
F.N.B.	17.88%	F2	June 2008	3,231,366	-	895,859	2,335,507
Umsekeli	9.00-12.00%	U1	Sept 2007	2,812,500	-	1,250,000	1,562,500
Absa Bank - Tsakane Electrification	9.10%	A1	Feb 2026	-	6,360,903	39,224	6,321,679
F.N.B. - Capital Expenditure	9.10%	F3	Feb 2016	-	15,990,000	237,844	15,752,156
Total Long-Term Loans				6,043,866	22,350,903	2,422,926	25,971,842
GOVERNMENT LOANS							
Receiver of Revenue - Housing Vat Debtors				62,771	-	36,057	26,714
Total Government Loans				62,771	-	36,057	26,714
TOTAL EXTERNAL LOANS				6,106,637	22,350,903	2,458,984	25,998,556

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX B
ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2006

	Cost / Revaluation					Accumulated Depreciation				Carrying Value	Budget Additions 2005
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance		
Infrastructure											
Electricity	43,809,732	12,837,150	-	-	56,646,882	24,588,018	2,303,198	-	26,891,216	29,755,666	11,168,448
Roads	136,997,230	33,649,296	-	-	170,646,526	104,174,420	10,762,914	-	114,937,335	55,709,192	20,150,000
Gas	14,098	-	-	-	14,098	13,862	236	-	14,098	-	-
Sewerage	155,853	-	-	-	155,853	12,372	2,226	-	14,599	141,254	-
Pedestrian Malls	1,263,501	-	-	-	1,263,501	810,582	60,798	-	871,381	392,120	-
Airports	625,398	30,944	-	-	656,342	534,676	31,926	-	566,603	89,739	-
Security Measures	2,300,025	81,540	-	-	2,381,565	2,262,933	32,361	-	2,295,293	86,272	-
Water	377,810	-	-	-	377,810	78,566	18,890	-	97,456	280,354	-
Other	310,136	-	-	-	310,136	145,421	12,447	-	157,868	152,268	3,000,000
	185,853,782	46,598,931	-	-	232,452,713	132,620,851	13,224,997	-	145,845,848	86,606,865	34,318,448
Community Assets											
Land & Buildings	26,736,179	2,002,721	-	-	28,738,900	7,949,607	912,303	-	8,861,910	19,876,990	5,350,000
Recreation Facilities	3,465,123	102,740	-	-	3,567,863	1,638,497	154,511	-	1,793,008	1,774,855	-
	30,201,302	2,105,461	-	-	32,306,763	9,588,104	1,066,814	-	10,654,918	21,651,845	5,350,000
Heritage Assets											
Buildings	604,356	-	-	-	604,356	-	-	-	-	604,356	-
	604,356	-	-	-	604,356	-	-	-	-	604,356	-
Other Assets											
Land & Buildings	33,043,124	172,950	-	47,932	33,168,142	10,581,486	680,557	47,932	11,214,111	21,954,031	4,050,000
Office Equipment	10,007,260	124,770	-	-	10,132,030	8,685,244	443,591	-	9,128,835	1,003,195	-
Furniture & Fittings	1,730,302	-	-	-	1,730,302	1,264,903	125,104	-	1,390,008	340,295	-
Bins & Containers	547,214	482,456	-	-	1,029,670	271,919	43,776	-	315,695	713,975	-
Emergency Equipment	320,341	-	-	-	320,341	240,272	10,537	-	250,809	69,531	-
Motor Vehicles	6,372,365	2,020,174	-	-	8,392,539	4,944,553	339,539	-	5,284,092	3,108,447	5,481,298
Plant & Equipment	14,104,444	2,688,787	-	-	16,793,230	12,202,918	607,265	-	12,810,183	3,983,047	-
Other	5,176,575	-	810,038	-	5,986,613	4,801,705	179,543	-	4,981,248	1,005,365	-
	71,301,626	5,489,137	810,038	47,932	77,552,868	42,993,001	2,429,913	47,932	45,374,981	32,177,886	9,531,298
Total	287,961,066	54,193,528	810,038	47,932	342,916,699	185,201,956	16,721,724	47,932	201,875,747	141,040,952	49,199,746

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX C
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Municipal Manager	112,599	-	-	-	112,599	112,599	-	-	112,599	-
Finance Management and Leadership	9,128,491	-	-	-	9,128,491	8,538,235	306,290	-	8,844,525	283,966
Mayoral	878	-	-	-	878	498	29	-	527	351
Community Services	22,557,842	604,378	810,038	-	23,972,258	7,986,489	784,363	-	8,770,852	15,201,405
Admin and Valuation	2,329,821	48,997	-	-	2,378,818	1,893,963	96,079	-	1,990,042	388,776
Council General	14,818,830	150,562	-	-	14,969,392	4,920,734	388,034	-	5,308,768	9,660,624
Corporate Services	138,431	26,118	-	-	164,549	6,575	20,103	-	26,678	137,870
Be Housing / Building Control	12,752,798	374,811	-	-	13,127,609	8,470,192	581,767	-	9,051,959	4,075,650
Public Works	137,973,031	35,040,049	-	-	173,013,080	105,117,214	10,634,078	-	115,751,292	57,261,788
Development & Planning	144,645	48,906	-	-	193,551	17,199	28,956	-	46,155	147,396
Admin and Environmental Health	1,500,099	421,480	-	-	1,921,579	1,107,831	76,843	-	1,184,674	736,905
Clinics	1,531,518	-	-	-	1,531,518	700,487	59,847	-	760,334	771,184
Parks & Gardens	6,922,289	679,896	-	-	7,602,185	2,863,105	260,573	-	3,123,678	4,478,507
Protection Services & Traffic	5,659,280	619,287	-	-	6,278,567	4,191,574	268,427	-	4,460,001	1,818,566
Fire Brigade	4,857,732	-	-	-	4,857,732	1,820,273	156,895	-	1,977,168	2,880,564
Environmental Hygiene	3,516,239	1,453,433	-	-	4,969,672	1,784,276	99,147	-	1,883,423	3,086,249
Real Estate and Housing	16,448,060	-	-	47,932	16,400,128	8,041,919	521,312	47,932	8,515,299	7,884,829
Electricity Service	47,568,482	14,725,610	-	-	62,294,092	27,628,792	2,438,979	-	30,067,771	32,226,322
TOTAL	287,961,065	54,193,528	810,038	47,932	342,916,699	185,201,956	16,721,724	47,932	201,875,748	141,040,951

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX D
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30 JUNE 2006

2005 Actual Income R	2005 Actual Expenditure R	2005 Surplus / (Deficit) R		2006 Actual Income R	2006 Actual Expenditure R	2006 Surplus / (Deficit) R
-	332,945	-332,945	Municipal Manager	-	143,953	-143,953
498,224	10,224,619	-9,726,395	Admin and Valuation	529,182	8,809,250	-8,280,068
132,995,274	66,882,039	66,113,235	Council General	150,415,656	86,827,412	63,588,245
-	2,937,700	-2,937,700	Corporate Services	489,049	3,785,282	-3,296,233
2,643,343	7,709,387	-5,066,044	TT Management & Leadership	2,290,216	5,736,894	-3,446,677
181,429	20,720,164	-20,538,734	Public Works	275,788	15,424,165	-15,148,376
270,108	1,952,617	-1,682,510	Development & Planning	274,936	2,791,743	-2,516,807
3,098,286	16,308,568	-13,210,282	Admin And Environmental Health	4,261,633	13,256,312	-8,994,679
5,958,043	12,033,056	-6,075,013	Protection Services & Traffic	6,705,384	12,251,047	-5,545,663
-	183,401	-183,401	Mechanical Workshop	-	258,258	-258,258
200,224	375,827	-175,603	Housing : Staff Housing	-	-	-
226,160	505,138	-278,979	Housing : Rental Housing	-	-	-
-	-	-	Real Estate and Housing	344,852	3,021,609	-2,676,758
11,207,808	3,818,567	7,389,241	Environmental Hygiene	13,626,609	11,003,061	2,623,548
82,504,516	71,174,071	11,330,445	Electricity Service	85,685,099	73,661,570	12,023,528
239,783,414	215,158,101	24,625,313	Sub Total	264,898,405	236,970,555	27,927,850
-	-9,952,331	9,952,331	Less : Inter-Departmental Charges	-	-10,554,200	10,554,200
239,783,414	205,205,770	34,577,644	Total	264,898,405	226,416,355	38,482,050

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX E (1)
ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2006

REVENUE	<u>2006 Actual R</u>	<u>2006 Budget R</u>	<u>2006 Variance R</u>	<u>2006 Variance %</u>	<u>Explanation of Significant Variances greater than 10% versus Budget</u>
Property rates	73,623,507	72,883,181	740,326	-1.02	
Property rates - penalties imposed and collection charges	5,311,316	6,600,000	-1,288,684	19.53	
Service charges	90,135,388	92,604,585	-2,469,197	2.67	
Interest earned - external investments	1,826,302	-	1,826,302	-100.00	
Interest earned - outstanding debtors	2,243,638	2,280,000	-36,362	1.59	The budgeted amount was not adjusted to exclude water and sewer interest in the 2004/2005 financial year.
Fines	3,130,025	2,796,600	333,425	-11.92	
Licences and permits	3,229,938	2,605,100	624,838	-23.99	
Income for agency services	-	-	-	0.00	
Government grants and subsidies	80,150,944	33,104,760	47,046,184	-142.11	
Other income	4,817,347	7,223,150	-2,405,803	33.31	Credit Control Charges were not realised largely due to write-offs for indigent Debtors.
Public contributions, donated and contributed PPE	-	-	-	-100.00	
Gains on Disposal of property, Plant and Equipment	430,000	-	430,000	-100.00	
Total Revenue	264,898,405	220,097,376	44,801,029	-20.36	
EXPENDITURE					
Employee related costs	45,961,882	47,907,701	-1,945,819	4.06	
Remuneration of Councillors	5,176,654	6,659,689	-1,483,035	22.27	
Bad debts	11,180,480	12,680,480	-1,500,000	11.83	Credit Control Procedures were reviewed and all attempts to collect the outstanding debts is being made.
Depreciation	16,721,724	3,019,645	13,702,079	-453.76	Depreciation i.r.o. grant funded assets is now a requirement to be shown on the Statement of Financial Performance.
Repairs and maintenance	3,992,461	19,834,320	-15,841,859	79.87	All refurbishments to capital assets have been capitalised.
Interest paid	1,667,473	4,944,004	-3,276,531	66.27	All loans budgeted for were not taken up in the 2005/2006 year.
Bulk purchases	48,035,526	50,436,535	-2,401,009	4.76	
Grants and subsidies paid	26,306,255	26,324,058	-17,803	0.07	
Grant Expenses	31,453,396	-	31,453,396	-100.00	
General expenses	35,920,504	37,731,507	-1,811,003	4.80	
Total Expenditure	226,416,355	209,537,939	16,878,416	-8.06	
NET SURPLUS/(DEFICIT) FOR THE YEAR	38,482,050	10,559,437	27,922,613	-264.43	

EMNAMBITHI / LADYSMITH MUNICIPALITY

APPENDIX E (2)

ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2006

	<u>2006 Actual</u>	<u>2006 Under Construction</u>	<u>2006 Total Additions</u>	<u>2006 Budget</u>	<u>2006 Variance</u>	<u>2006 Variance</u>	<u>Explanation of Significant Variances greater than 5% versus Budget</u>
	R	R	R	R	R	%	
Infrastructure							
Electricity	12,837,150	-	12,837,150	11,168,448	1,668,702	15	
Roads	33,649,296	-	33,649,296	20,150,000	13,499,296	67	
Gas	-	-	-	-	-	0	
Sewerage	-	-	-	-	-	0	
Pedestrian Malls	-	-	-	-	-	0	
Airports	30,944	-	30,944	-	30,944	100	
Security Measures	81,540	-	81,540	-	81,540	100	
Water	-	-	-	-	-	0	
Other	-	-	-	3,000,000	-3,000,000	-100	
	46,598,931	-	46,598,931	34,318,448	12,280,483	36	
Community Assets							
Land & Buildings	2,002,721	810,038	2,812,758	5,350,000	-2,537,242	-47	
Recreation Facilities	102,740	-	102,740	-	102,740	100	
	2,105,461	810,038	2,915,498	5,350,000	-2,434,502	-46	
Heritage Assets							
Buildings	-	-	-	-	-	0	
	-	-	-	-	-	0	
Other Assets							
Land & Buildings	172,950	-	172,950	4,050,000	-3,877,050	-96	
Office Equipment	124,770	-	124,770	-	124,770	100	
Furniture & Fittings	-	-	-	-	-	0	
Bins & Containers	482,456	-	482,456	-	482,456	100	
Emergency Equipment	-	-	-	-	-	0	
Motor Vehicles	2,020,174	-	2,020,174	5,481,298	-3,461,124	-63	
Plant & Equipment	2,688,787	-	2,688,787	-	2,688,787	100	
Other	-	-	-	-	-	0	
	5,489,137	-	5,489,137	9,531,298	-4,042,161	-42	
Total	54,193,528	810,038	55,003,565	49,199,746	5,803,819	12	

EMNAMBITHI / LADYSMITH MUNICIPALITY
APPENDIX F
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure				Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		Sept	Dec	March	June	Sept	Dec	March	June	Yes / No	
Equitable Share	National Government	-9,304,611	-9,304,611	-9,304,611						Yes	
Museum Subsidy	Provincial Government									Yes	
Health Inspections Subsidy	Provincial Government									Yes	
Food Sampling Subsidy	Provincial Government									Yes	
Health Claim	Provincial Government									Yes	
Nurses Salaries	Provincial Government									Yes	
Ezakheni Labour Intensive Water Loss Man. Prog.	Provincial Government									Yes	
Area J Steadville Electrification	Provincial Government		-228,000	-2,676,850		-	1,581	51,887	4,298,540	Yes	
DBSA Grant For TT Training	DBSA						20,000			Yes	
Water Meters Ezakheni	Provincial Government									Yes	
Ezakheni Unit DD Bulk Services	Provincial Government									Yes	
Dept of Housing : Roosboom	Dept of Housing				-429,000	207,207		148,005	159,335	Yes	
Dept of Housing : Ezakheni	Dept of Housing			439,000		1,970,878	1,127,274			Yes	
Flanders Pilot Project Housing	Flanders Govt		-152,756	-152,756	152,756	25,382	28,991	3,773	-5,088	Yes	
St Chads Urban Housing Development	Dept of Housing		-1,553,812	-4,050,043	5,496,976	673,389	3,118,566	4,365,024	4,967,730	Yes	
Dept of Housing : Nkanyezi Hostel	Dept of Housing						28,094	185,784	420,363	Yes	
Dept of Housing : Steadville Hostel	Dept of Housing						21,975			Yes	
Peacetown / Driefontein Disaster	Dept of Housing						1,344			Yes	
Dept of Housing : Ntombis Camp	Dept of Housing		-106,789				487,909	840,802	2,071,840	Yes	
Dept of Housing : Ezakheni C Section	Dept of Housing				-5,365	864,828	-2,716			Yes	
Dept of Housing : Steadville Area E	Dept of Housing					766,844	780,713	334,548		Yes	
M I G : Grant - Upgrade Rural Areas	Provincial Government					854,624	93,463	317,022		Yes	
M I G : Urban Roads	Provincial Government			-2,480,000	-750,000	2,012,914	781,407	1,998,597	3,147,629	Yes	
Emerging Farmers Awards	Provincial Government									Yes	
Upgrade Stormwater Steadville Area D	Provincial Government					426,190	435,813	301,268	391,488	Yes	
Cross Sectional Theme Project	Provincial Government								13,943	Yes	
I D P Interim	Provincial Government									Yes	
Amalgamation Plan	Provincial Government									Yes	
Cleanest Town Competition	Provincial Government						42,237		33,773	Yes	
Uthukela District	Provincial Government									Yes	
Capacity Building Fund - Town Planner	Provincial Government								250,000	Yes	
Budget Reform Grant EC34/5/2003	National Government	-1,000,000				23,529	30,324	8,162	323,035	Yes	
Land Use Management System	National Government	-								Yes	
St Chads Bulk Water	National Government	-								Yes	
GIS - Town Planning Grant	National Government			200,000		102,657				Yes	
MAP - Plan (R600 000) Credit Control	National Government								316,537	Yes	
Multipurpose Centre : Abantungwakholwa	National Government	-1,000		-439,000		52,248	256,262	394,022	167,017	Yes	
Steadville Community Housing	National Government	-								Yes	
Ntombis Camp Electrification	National Government	-				131,579				Yes	
Development Admin / Capacity Building	National Government	-								Yes	
Inter Departmental Monitoring	National Government	-			-40,000					Yes	
Outstanding Debtors Colenso	Provincial Government	-								Yes	
G I S Support	Provincial Government	-								Yes	
Subsidy - Library	Provincial Government	-			-21,253					Yes	
CCI Grant	Provincial Government	-								Yes	
Development Bank of SA - Golf Day	DBSA		-44,302				26,759	340		Yes	
Rehabilitation Of Violence Damaged Houses - Ezakheni	Provincial Government						80,640			Yes	
Dept of Housing : Diamana Flats	Provincial Government					99,786	115,865	36,569	45,305	Yes	
Dept of Housing : Limit Hill	Provincial Government				-182,588	60,007	-2,716	17,300	156,332	Yes	
St Chads Rural Housing Development	Provincial Government				-8,381,724	1,380,065	89,424	375,428	1,980,091	Yes	
Dept of Housing : Colenso	Provincial Government		-19,191			60,365	163,901	29,727	226,392	Yes	
Cleaning Up Campaign LEDF	Provincial Government		-21,180						9,098	Yes	
Spatial Planning (LUMS)	Provincial Government							-7,040		Yes	
MAP - Extension (R388 000)	Provincial Government				-12,098				-304,439	Yes	
Job Evaluation - External Funding	Various Municipalities			-39,955			20,544	1,057	8,174	Yes	
M A P	Provincial Government								262,634	Yes	
Limit Hill Electrification	Provincial Government		-52,000					85,369	-59,736	Yes	
Inkanyezi/Colenso 205 Sites	Dept of Housing			-776,250				42,375	399,980	Yes	
MIG - Income	National Government		-3,020,916	-1,055,845	-750,000					Yes	
MIG - Van Reenen Streetlights	National Government					438				Yes	
MIG - Upgrade Sportfields	National Government					17,783	11,592	71,840	1,524	Yes	
MIG - Pedestrian bridge Ndomba Cem to Umbulwane	National Government							5,412	9,666	Yes	
MIG - Pedestrian bridge Matondwane to Watersmeet	National Government							38,233	82,080	Yes	
MIG- Pedestrian bridge Mbabantu River	National Government								5,246	Yes	
MIG - Pedestrian bridge Watershed to Driefontein	National Government								6,072	Yes	
MIG - 10 Hi mast lights - Ezakheni, Roosboom, Colenso, Steadville	National Government					449,532		28,200		Yes	
MIG - Hobsland/Peacetown Pedestrian bridge	National Government					320,258				Yes	
MIG - Project Management Unit	National Government								70,286	Yes	
Community Development Workers	Provincial Government			-120,000				39,870	10,609	Yes	
Review of IDP (Uthukela DM)	Provincial Government		-50,000							Yes	
LED Woodcarving/Beadwork Project	National Government		-5,070				1,095			Yes	
Business Hive LEDF	National Government						21,180			Yes	
PALS Subsidy Agra/Ezak/Stead Libraries	Provincial Government				-6,840					Yes	
Dept of Housing - Umbulwane 1	Dept of Housing						333,300	197,400	298,800	Yes	
Provincial Library Services - Roof	Provincial Government								71,048	Yes	
Land acq and Town Planning S/V Area E	Dept of Housing				-125,200					Yes	
Stormwater Alleviation Measures	Provincial Government					239				Yes	
Integrated Systems Grant	Provincial Government							267	-267	Yes	
		-10,305,611	-14,558,628	-20,456,310	-5,054,336	11,281,453	7,668,658	9,576,693	19,955,239		
					-50,374,885				48,482,044		